

Federal Personnel Manual System**FPM Letter** 308-24**SUBJECT:** New Financial Eligibility Form for Needy Youth Programs (OPM Form 1495) and Discontinuation of the Federal Junior Fellowship Application Materials Package (OPM Form 1453)Published in advance
of incorporation in FPM
chapter 308**RETAIN UNTIL SUPERSEDED**

Washington, D. C. 20415

November 19, 1984

Heads of Departments and Independent Establishments

New OPM Form 1495

1. To assist with the documentation and determination of financial eligibility under the Stay-in-School, Summer Aid and Federal Junior Fellowship Programs, the Office of Personnel Management has developed a new form, OPM Form 1495, "Financial Eligibility Statement for Student and Summer Aid Programs." The form is a self-certification statement to be completed by candidates being considered for employment under these programs, and may be used by agencies, schools, as well as State Employment Service (SES) offices.

2. Under the Summer Aid Program, individuals are referred for employment consideration by SES offices and have already been screened for financial eligibility. However, under the Stay-in-School Program agencies have the option of using referral sources such as local SES offices or recruiting candidates on their own. This means that often agencies make their own financial needs assessment to determine program eligibility. OPM Form 1495 was developed for documentation of financial need. It not only facilitates documentation of eligibility but also assures uniformity in the type of information candidates are asked to provide. SES offices wishing to utilize the new form may do so at their option.

3. OPM Form 1495 may be used for a secondary purpose. Under current OPM regulations, sons and daughters may not be hired for student employment in the same agency which employs their parent. An exception is made, however, for those students who meet the Federal poverty guidelines. The form can, therefore, be used to determine and document that a student meets the poverty criteria and is exempt from the sons and daughters restriction. (The poverty guidelines are published annually in a FPM Letter in the 213 code.)

Discontinuation of the Federal Junior Fellowship Application Materials Package

4. Use of the Federal Junior Fellowship Application Materials Package (OPM Form 1453) has been discontinued. (This package consisted of 3 forms: OPM Form 1453-A, Individual Nominee Evaluation, Standard Form 173, Job Qualifications Statement, and OPM Form 1170/50, Supplemental Qualifications Statement.) As a replacement for the application package, only 2 forms will be used -- Standard Form 171, Personal Qualifications Statement and the new financial eligibility statement, OPM Form 1495.

Nomination of Junior Fellows Through Letters of Recommendation

5. In lieu of the nomination form, agencies should request written letters of recommendation from high schools. Since appointments of Junior Fellows are based upon their intended academic major in college, this major should be indicated in the letter of recommendation.

Inquiries: Examination Operations Division, Staffing Group, (202) 632-6030**Code:** 308, Youth and Student Employment Programs**Distribution:** FPM

New Guidance for Determining and Documenting Financial Eligibility

6. This FPM Letter also transmits an advance copy of a new appendix D to FPM chapter 308 which provides guidance on determining and documenting financial eligibility for the needy youth programs -- Stay-in-School, Summer Aid, and Federal Junior Fellowship. Please note the sections on retention and safeguarding of OPM Form 1495 as well as Privacy Act requirements. Appendix D contains the new OPM Form 1495. The form should be reproduced locally, since it will not be stocked by OPM. However, agencies may order a supply through a future OPM Rider.

A handwritten signature in dark ink, appearing to read 'Donald J. Devine', is written over a light blue horizontal line.

Donald J. Devine
Director

Attachments

APPENDIX D. DETERMINING AND DOCUMENTING FINANCIAL ELIGIBILITY FOR NEEDY YOUTH PROGRAMS

D-1. PURPOSE

This appendix provides instructions for determining and documenting financial eligibility under needy youth programs conducted through excepted service appointing authorities. The programs covered by these instructions are the Stay-in-School Program (FPM chapter 308, subchapter 9), the Summer Aid Program (FPM chapter 332, appendix J-6), and the Federal Junior Fellowship Program (FPM chapter 308, subchapter 8).

D-2. DETERMINING FINANCIAL ELIGIBILITY

a. Needs criteria. Stay-in-Schoolers and Summer Aids must meet the needs criteria outlined in the annual FPM bulletin in the 308 code. (Severely physically handicapped or mentally retarded individuals are exempt from the needs criteria.) The criteria is divided into charts of 4 categories which outline family income in relation to family size. The first category represents the Federal poverty level while the others are increased by increments of \$2,500. Youths are to be considered for employment in category order. (For example, category I individuals must be considered before category II individuals.) Junior Fellows are subject to an overall maximum family income as outlined in FPM chapter 308, subchapter 8.

b. Family size. In determining family income, the size of the family needs to be taken into consideration. For this purpose, two or more persons living in a single residence who are related to each other by blood, marriage, or adoption, are included in the definition of a "family." (Stepchildren or stepparents are considered to be related by marriage.) A family of one is discussed in (c) below. The family size consists of the maximum number of family members during the past 12 months. A person who is claimed as a dependent on another person's Federal income tax return for the previous year is considered to be part of the other person's family.

c. Self-sufficient individuals. Financially independent individuals who (1) have not resided with the family for more than 6 months during the past 12-month period, and (2) were not claimed as a dependent on another person's Federal income tax return for the last calendar year, may be considered as a family unit of 1 person. If, however, they have resided with the family for more than 6 months during the past 12-month period they shall be considered a member of that family and the income of these family members must be counted.

d. Inclusions in family income. Family income refers to total annual cash receipts before taxes from all sources. (Income data for a part-year period may be annualized in order to determine eligibility.) These receipts include:

(1) Gross wages and salary - the total money earnings received from work performed as an employee. It represents the amount paid before deductions for income taxes, social security, bond purchases, union dues, etc.

(2) Net self-employment income - net income (gross receipts minus operating expenses) from a business firm, farm, or other enterprise in which a person is engaged on his/her own;

(3) Other money income - Money received from sources such as public assistance payments (including Supplemental Security Income), social security or railroad retirement, unemployment and workers' compensation, strike benefits from union funds, training stipends, alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household; private and Government employee pensions, and regular insurance or annuity payments; and income from dividends, interest, rents, royalties, or periodic receipts from estates or trusts.

e. Exclusions from family income. For eligibility purposes, income does not include:

- (1) Capital gains;
- (2) Any assets drawn down as withdrawals from a bank, sale of property, house, or car;
- (3) Tax refunds, gifts, lump-sum inheritances, one-time insurance payments or compensation for injury;
- (4) Earnings from the Stay-in-School and Summer Aid Programs;
- (5) Veterans' benefits (i.e. educational assistance, compensation payments);
- (6) Non-cash benefits such as employer-paid health insurance and other employee fringe benefits, food or rent received in lieu of wages, the value of food and fuel produced and consumed on farms, and the imputed value of rent from owner-occupied nonfarm or farm housing.

D-3. DOCUMENTING FINANCIAL ELIGIBILITY

a. Referrals from State Employment Service (SES) offices. Individuals referred by SES offices for employment consideration under the Stay-in-School or Summer Aid Program have already been screened for financial eligibility and, therefore, should qualify for the needy youth programs. Since candidates are considered in category order, agencies need to ascertain the category number of the applicant. Agencies that have doubts about a referred candidate qualifying financially, should ascertain from the SES office how the candidate was determined to be eligible and at the same time check to see if that office was using the current OPM guidelines. The referred candidate should not be appointed until all questions have been resolved with the SES office.

b. Financial needs determination made by agencies. For the Stay-in-School Program, agencies may make their own determination that students meet the financial needs criteria. For this purpose, the OPM Form 1495 in this appendix, "Financial Eligibility Statement for Student and Summer Aid Programs," may be used. The form is a self-certification statement to be filled out by the applicant, identifying by name the individuals living in the household, their relationship to the applicant, and the annual income for each of these family members. An appropriate agency official should certify on the bottom of the form whether the applicant is eligible for the program. Where necessary, agencies should verify the data furnished. This form should be filled out by Stay-in-Schoolers not only at the time of appointment, but also every time they are reappointed for an additional year. The form may be locally reproduced.

c. Referrals for the Federal Junior Fellowship Program. Students referred by high schools for the Federal Junior Fellowship Program must have completed OPM Form 1495 at the time of referral. An appropriate agency official should certify at the bottom of the form that the student has met the financial needs criteria of the program. If necessary, the furnished data should be verified.

d. Retention of OPM Form 1495. After employment, the individual's completed Financial Eligibility Statement should be retained for 2 years from the date of employment for Stay-in-School and Summer Aid employees, and for the entire duration of the appointment for Junior Fellows. The forms for active employees shall be retained on the left, temporary side of the Official Personnel Folder (OPF) and, to ensure maximum protection of the individual's personal privacy, will be in a sealed envelope. Agencies should place the employee's name, date of birth, and Social Security Number on the outside of the envelope to assure accurate re-filing should the envelope become separated from the OPF. When purging OPFs of former employees, the envelope shall be removed, prior to sending the OPF to the records storage center, and retained for the remainder of the retention schedule (e.g. in a chronological or suspense type file.) Similarly, when an individual becomes employed with the same or different agency under another type of appointment, the envelope shall be removed and retained for the remainder of the retention schedule.

e. Privacy Act. When retained in the OPF, OPM Form 1495 is considered to be covered by the Privacy Act and included in OPM/GOVT-1, General Personnel Records, Privacy Act system of records. Therefore, the form contains a Privacy Act Statement that should meet the needs of all agencies. The statement should not be altered by any agency without first obtaining approval from the Assistant Director for Workforce Information, Compliance and Investigations Group, U.S. Office of Personnel Management, 1900 E Street, N.W. Room 5415, Washington, D.C. 20415. When the form is to be retained after it is purged from the OPF, or where the form of an ineligible applicant is to be retained (e.g. for 6 months in case of challenge or reapplication by the same applicant), it should not be retained under the name of the individual, but rather in a subject matter folder (e.g. in a folder identified simply as "Stay-in-School Program - 1983").

f. Use of OPM Form 1495 outside of Federal agencies. The Financial Eligibility Statement for Student and Summer Aid Programs may be used by SES offices, school counselors, financial aid offices, or any other sources known to agencies which are capable of making financial needs determinations for the Stay-in-School Program. Its use for the Federal Junior Fellowship Program is limited to high schools. Since the form can be locally reproduced, agencies may wish to forward copies to appropriate referral sources in their area along with a copy of the current FPM bulletin outlining the financial needs criteria.



Inclusions in Family Income

Family income refers to total annual cash receipts before taxes from all sources. (Income data for a part-year period may be annualized.) These receipts include:

- **Gross Wages and Salary**—The total money earnings received from work performed as an employee. It represents the amount paid **before** deductions for income taxes, social security, bond purchases, etc.
- **Net Self-Employment Income**—Net income (gross receipts minus operating expenses) from a business firm, farm, or other enterprise in which a person is engaged on his/her own.
- **Other Money Income**—Money received from sources, such as public assistance payments (including Supplemental Security Income), social security or railroad retirement, unemployment and workers' compensation, strike benefits from union funds, training stipends, alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household; private and Government employee pensions, and regular insurance or annuity payments; and income from dividends, interest, rents, royalties, or periodic receipts from estates or trusts.

Exclusions From Family Income

The following should not be included in the computation of total family income:

- Capital gains.
- Any assets drawn down as withdrawals from a bank, sale of property, house, or car.
- Tax refunds, gifts, lump-sum inheritances, one-time insurance payments or compensation for injury.
- Veterans' benefits (i.e., educational assistance, compensation payments).
- Earnings from the Stay-in-School and Summer Aid programs.
- Non-cash benefits such as employer-paid health insurance and other employee fringe benefits, food or rent received in lieu of wages, the value of food and fuel produced and consumed on farms, and the imputed value of rent from owner-occupied non-farm or farm housing.

Individuals Claiming Self Sufficiency

If you are financially independent and (1) have not resided with your family for more than 6 months during the past 12-month period and (2) were not claimed as a dependent on another person's Federal income tax return for the last calendar year, you may be considered your own household of one person. If, however, you have resided with your family for **more** than 6 months during the past 12-month period, the income of these family members must be reported on this form.